



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

February 28, 2014

Address Management System Data

Report Number DR-AR-14-003

BACKGROUND:

The U.S. Postal Service uses Address Management System data to deliver mail to more than 127 million addresses in the U.S. Address information is critical to processing mail through automation to reduce delivery costs. The nation relies on the Postal Service to maintain accurate addresses to enable effective commerce and ensure customers receive quality service.

Carriers help maintain address quality by observing address changes on their routes, noting them in their edit books, and submitting them to update the Address Management System. The Postal Service's Address Quality Improvement Process identifies routes with address errors requiring review.

Our objective was to assess the effectiveness of efforts to ensure the accuracy of address data in the Postal Service's Address Management System.

WHAT THE OIG FOUND:

The Postal Service's efforts to reduce address database errors were ineffective. The reported address errors increased from 267,478 in fiscal year (FY) 2011 to 430,843 in FY 2013, primarily because carriers did not update edit books consistently and management did not conduct necessary street reviews. The Postal Service reduced its emphasis on ensuring address accuracy by initially reducing the number of address management specialists by nearly 40 percent and then reclassifying the specialist position

from non-bargaining to bargaining. Further, the Postal Service did not have a formal standardized training program or a follow-up process to ensure compliance.

We estimated address corrections costing about \$14 million were not made to the Address Management System in FYs 2012 and 2013. Effective controls over address corrections would increase delivery efficiency and avoid future costs of about \$16 million for FYs 2014 and 2015. Incorrect addresses increase business mailers' costs to process returned mail. Inaccuracies could also cause mailers to lose confidence in the effectiveness of mail, which could significantly reduce postal revenue.

WHAT THE OIG RECOMMENDED:

We recommended the vice president, Delivery and Post Office Operations, in coordination with the vice president, Product Information, establish deadlines for edit book updates, develop a formal training program, and update supervisor training. We also recommended establishing a follow-up process that ensures that address errors are corrected using Address Quality Improvement Process reports and that necessary street reviews are completed.